

**ORDER 2021-85
IN RE SETTLEMENT AGREEMENT**

**BLUE SKY CASINO, LLC d/b/a FRENCH LICK RESORT • CASINO
21-FL-02**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 25th DAY OF MAY, 2021.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
BLUE SKY CASINO, LLC d/b/a)	21-FL-02
FRENCH LICK RESORT•CASINO)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Blue Sky Casino, LLC d/b/a French Lick Resort•Casino (“French Lick”) (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT I

1. 68 IAC 1-5-1(10) provides a casino or supplier licensee shall provide a written notice to the executive director as soon as the casino or supplier licensee becomes aware apparent criminal activity taking place at the casino. A casino licensee shall submit the notice required under this subdivision to a gaming agent in addition to submitting it to the executive director.
2. 68 IAC 16-1-10(c)(1) provides for checks cashed, the casino shall examine the patron's picture identification and compare signature on the identification credential to the signature on the check to ensure agreement. If the signatures do not match, the casino licensee shall not extend credit to the patron.
3. French Lick’s approved internal control procedures, B-23, describe the procedures for check cashing.
4. On January 6, 2021, a Gaming Agent was tasked with investigating an incident that took place on December 6, 2020 where a patron (“Patron A”) presented an identification and credit card of another patron (“Patron B”) to conduct a \$500 cash advance. The Cage Cashier allowed Patron A to conduct this cash advance and sign Patron B’s name when completing the transaction.

An investigation into this matter determined that the Cage Cashier noticed the identification was not the patron requesting the money. The Cage Cashier stated that she attempted to call the Cage Shift Manager twice but was busy with a kiosk drop. The Cage Cashier proceeded with the transaction. The Cage Shift Manager found out about the transaction when she returned to the Cage. Neither the Cage Cashier nor the Cage Shift Manager reported this violation.

COUNT II

5. 68 IAC 15-2-4(a) & (c) provides that the casino licensee shall establish policies and procedures for the processing of cash transactions in excess of ten thousand dollars (\$10,000). Prior to the processing of a cash transaction in excess of ten thousand dollars (\$10,000), the casino licensee shall obtain identification information that must be verified by examining the identification presented by the patron.
6. French Lick's approved internal control procedures, E-1, describe the Title 31 Reporting procedures.
7. On February 20, 2021, Surveillance notified Gaming Agents that a Cage Cashier requested to know if a patron was still in the casino because she had processed a currency transaction report ("CTR") level transaction and when she went to put the information in the computer, she realized the license information for him in the computer needed updated due to his license in the system being expired.

A review of surveillance coverage determined that a patron redeemed \$10,850 in chips. The Cage Cashier processed the transaction but did not request identification from the patron. Due to the license being expired, the Cage Cashier did not have a valid identification to verify the required information to complete the CTR requirements.

8. On February 20, 2021, Surveillance notified Gaming Agents that a Cage Cashier requested to know if a patron was still in the casino because she had processed a CTR level transaction, and she had incorrectly assumed the casino already had his social security number on file. Failing to obtain the social security number is a violation of Title 31 reporting.

A review of surveillance coverage determined that a patron redeemed \$8,000 in chips and this transaction placed the patron above the CTR threshold with a total of \$10,120 in cash transactions. The Cage Cashier failed to verify the social security number for the patron. The patron had already left property before surveillance was notified.

COUNT III

9. 68 IAC 15-13-2.5 provides in accordance with 68 IAC 15-1-3, a casino licensee or casino license applicant must submit policies and procedures covering pouch pay jackpot winnings.
10. French Lick's approved internal controls, M-8 and M-15, describe the procedures for slot pays and short pays.
11. On February 2, 2021, Surveillance notified a Gaming Agent that an overpaid credit meter payout occurred at an electronic gaming device ("EGD"), and he believed that a TITO in the amount of \$146.78 had been paid twice.

A review of surveillance coverage determined a Slot Tech Supervisor was assisting a patron at an EGD and once the Slot Tech Supervisor completed the work on the EGD, the patron started inserting TITO's into the EGD. Approximately five (5) minutes later, a Slot Rep arrived at the EGD and spoke to the Slot Tech Supervisor. The Slot Rep completed a request for jackpot form for \$146.78. The patron and the Slot Tech Supervisor both signed the form and paid the patron. Neither employee notified surveillance prior to conducting the payout to the patron.

12. 68 IAC 15-13-2 provides the casino shall submit policies and procedures for manually paid jackpots.
13. French Lick's approved internal control procedures, M-8, describe the procedures for slot pays.
14. On January 19, 2021, Surveillance notified Gaming Agents that the Slot Operations Manager and Slot Service Rep failed to notify surveillance and request a \$10,000 jackpot to be verified prior to clearing the reels to allow the patron to continue to play.
15. On January 20, 2021, Surveillance notified Gaming Agents that the Slot Supervisor failed to notify surveillance and request a \$12,113.45 jackpot to be verified prior to clearing the reels to allow the patron to continue to play.

COUNT IV

16. 68 IAC 12-1-6(1) provides surveillance employees must continuously monitor and visually record the soft count procedures in accordance with 68 IAC 11-3.
17. French Lick's approved internal control procedures, J-1, describe the surveillance procedures.
18. On January 9, 2021, Surveillance notified Gaming Agents that, for approximately fifteen (15) to twenty (20) minutes, no one in surveillance was monitoring the soft count process. The Director of Surveillance advised when the second shift arrived to relieve the first shift, there was a breakdown in communication.

A review of surveillance coverage indicated that a Dual Rate Surveillance Supervisor entered the Event Center Surveillance Room. A Surveillance Agent was in the room already observing the soft count. The Surveillance Agent exited the Event Center Surveillance Room. The Dual Rate Surveillance Supervisor took over that monitoring station. At the same time, a Surveillance Supervisor entered the Main Surveillance Room. The Surveillance Supervisor called the Dual Rate Surveillance Supervisor to determine what each surveillance room was monitoring. The Event Center was to monitor table games; however, the Surveillance Supervisor forgot the soft count was still going on at that time. The Dual Rate Surveillance Supervisor in the Event Center

subsequently switched the cameras to cover table games. For approximately twenty-five (25) minutes, no Surveillance personnel was actively monitoring soft count.

COUNT V

19. 68 IAC 15-12-3(a) provides the requirements for live gaming device fills.
20. 68 IAC 15-12-3(c) provides if a live gaming device fill slip was erroneous, it shall be voided and a new live gaming device fill slip generated. The person voiding the fill slip shall indicate the reason the slip was voided and sign the slip. A voided live gaming device fill shall be retained and deposited into a locked accounting box.
21. French Lick approved internal controls, K-8, describe the procedures for computerized table fills.
22. On January 1, 2021, Surveillance notified Gaming Agents that an incorrect table fill was delivered to a blackjack table. All parties sign the table game fill slip, however, after signing the fill slip, the Assistant Casino Manager noticed the fill was incorrect. The fill was returned to the Cage to rectify the matter; however, the fill was not properly voided as required.
23. 68 IAC 10-1-5(a) provides the rules of the game submitted by the riverboat licensee or riverboat license applicant will require an indication of the table limits that will be established by the riverboat licensee for each table.
24. 68 IAC 13-1-1(b)(2) and (3) provides the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
25. French Lick's approved internal control procedures, L-4, describe the procedures for blackjack and all relevant side bets.
26. On March 27, 2021, Gaming Agents conducted a review of the blackjack tables and determined that the Top 3 and Plus 3 wagers for the game were not posted. The Gaming Agent asked a Dealer where the wagers were and the Dealer pointed to where they should be and said they were to be posted under the table limits; however, they were not posted. The Gaming Agent questioned a Casino Manager about where the wagers were posted. The Casino Manager advised that wager limits are different in high limits than on the regular casino floor. The Gaming Agent and Casino Manager subsequently determined that two other tables were open and did not have signage posted. A few hours later, the Casino Manager advised that two (2) more tables had been identified that did not have signage.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of French Lick by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, the Emergency Rules for Sports Wagering and/or French Lick's approved internal control procedures. The Commission and French Lick hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against French Lick.

French Lick shall pay to the Commission a total of \$13,000 (\$2,500 for Count I, \$2,500 for Count II, \$3,000 for Count III, \$3,000 for Count IV and \$2,000 for Count V) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of Fact contained in this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, French Lick agrees to promptly remit payment in the amount of \$13,000 and waive all rights to further administrative or judicial review.

This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and French Lick.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.

Sara Gonso Tait, Executive Director
Indiana Gaming Commission

Date

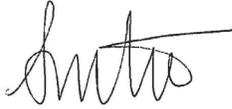


Chris Leininger, General Manager
Blue Sky Casino, LLC

Date

5/16/21

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

5/24/21

Date

Chris Leininger, General Manager
Blue Sky Casino, LLC

Date